



Short-term rentals Regulatory Approach Comparison

Background
Key Considerations
Comparing Jurisdictions
Recommendation





BACKGROUND



Short-term rentals

Definition

Temporary overnight accommodation

Use of residential
dwelling

one month or less

Temporary lodging

Vacationing public

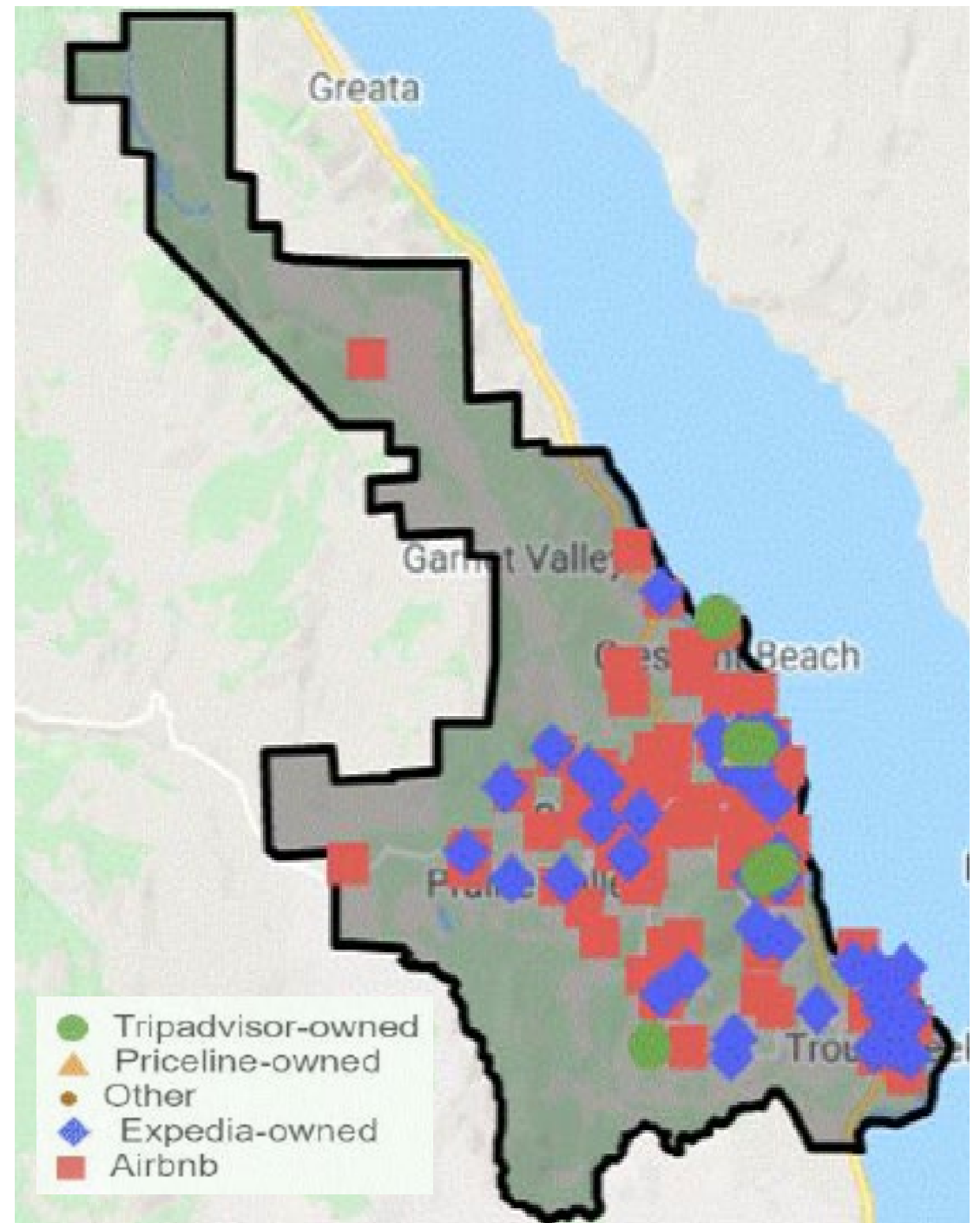
Dwelling unit

Paying guests

Vacation rental

Short term rental Online advertising

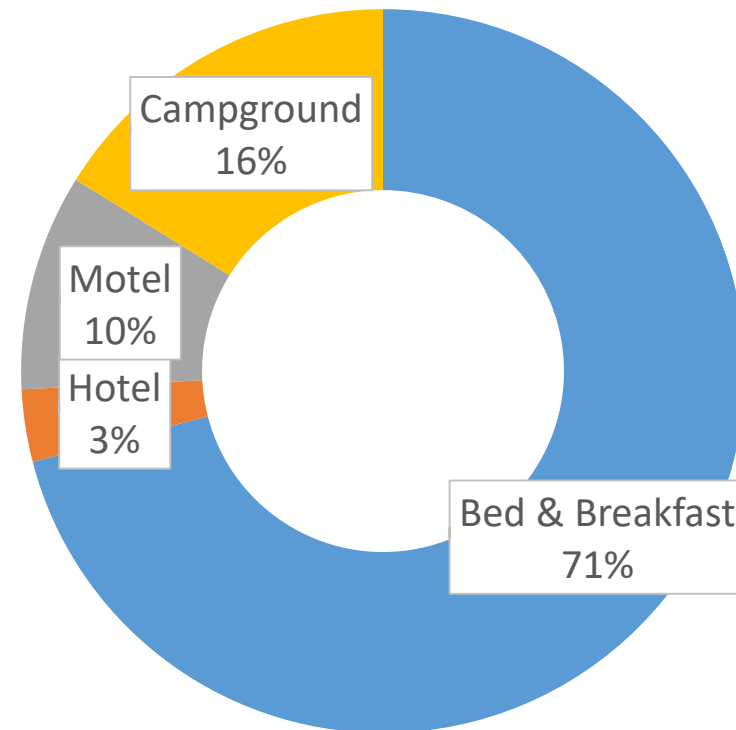
- 174 unique rental units
- 90% single family homes
- 92% renting entire unit
- 8% shared unit



Existing Accommodation

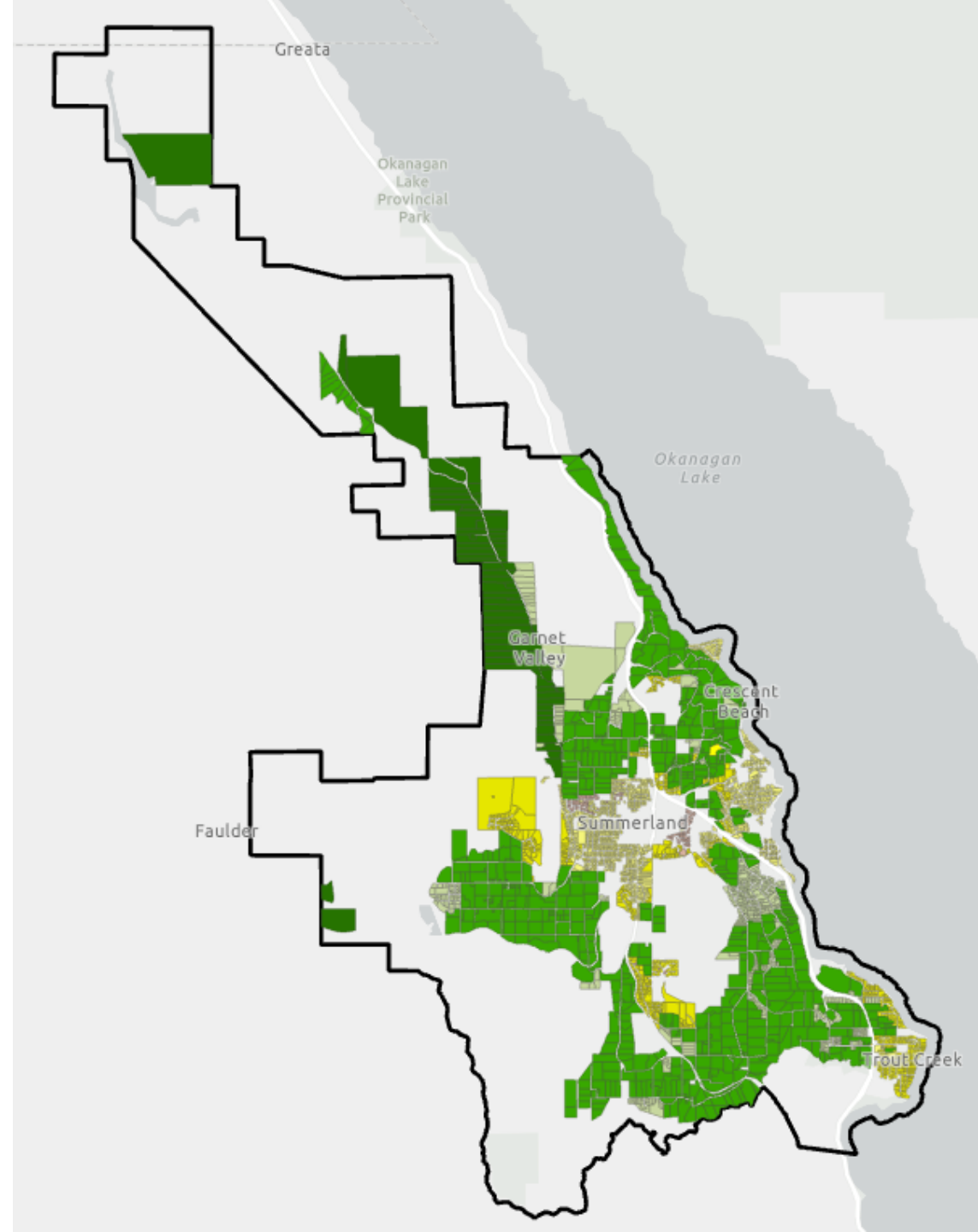
- 1 Hotel
- 3 Motels
- 5 Campgrounds
- 22 Bed & Breakfasts
- Agri-tourism accommodation

TOURIST ACCOMODATION BUSINESS LICENCES



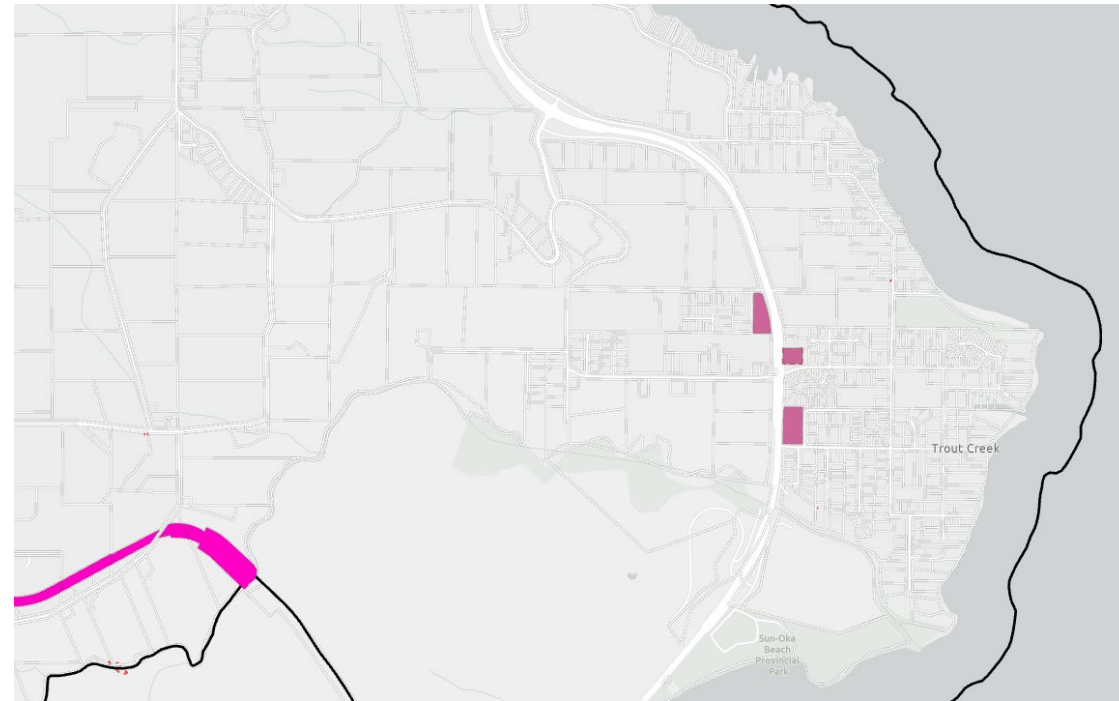
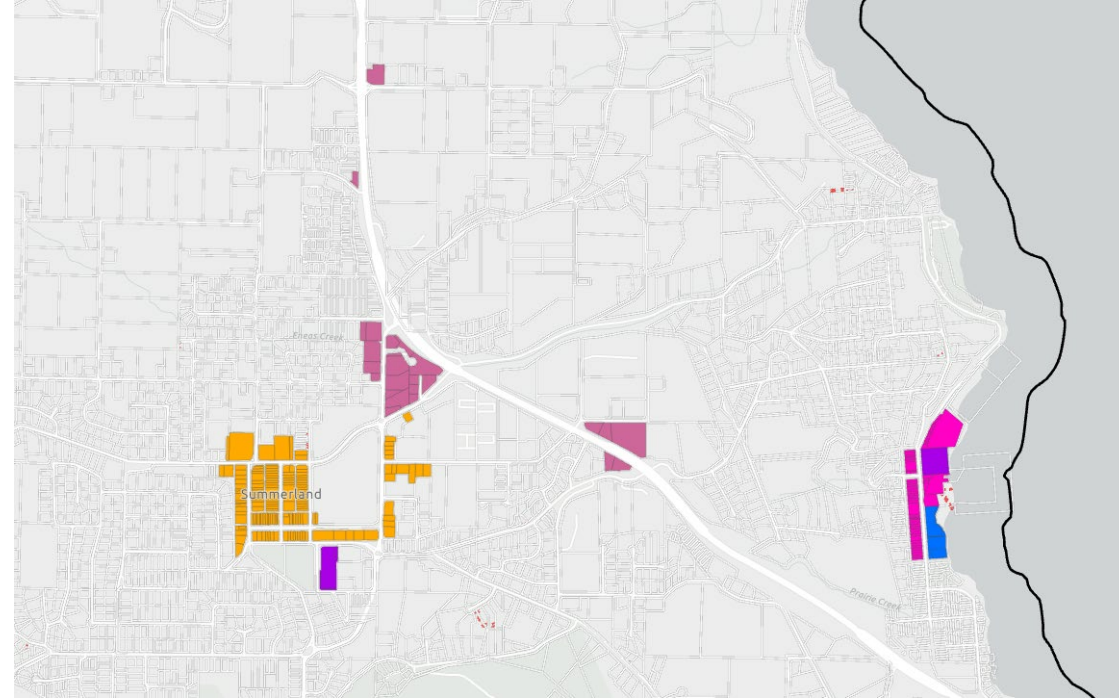
Bed & Breakfasts

- Resident occupied
- Attached or part of residence
- Single Detached Housing unit
- Agriculture, Rural Residential and Urban Residential zones
- No kitchen in guest rooms



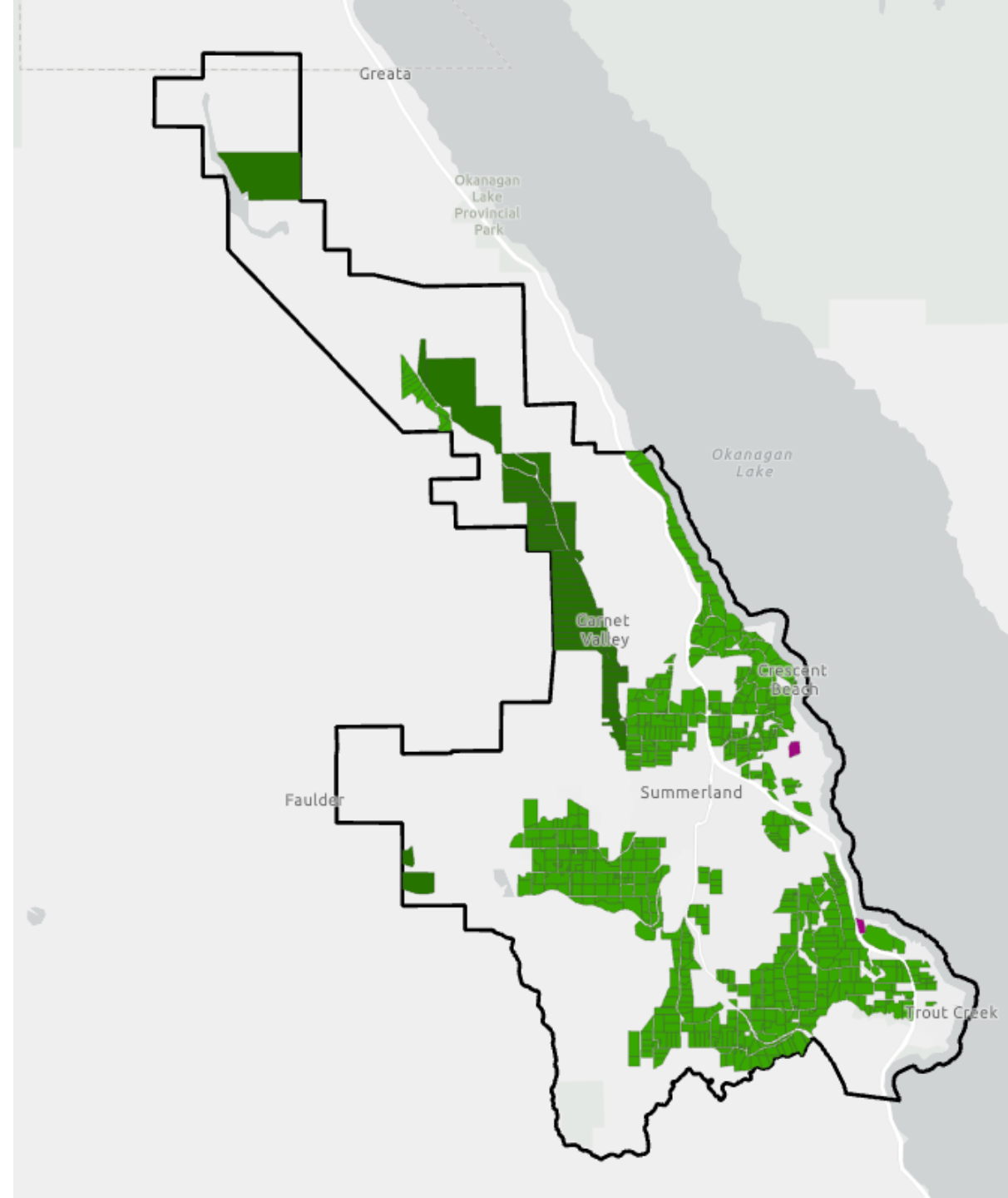
Hotels & Motels

- Temporary accommodation of the travelling public
- Interior access (hotels) or exterior access (motels)
- Commercial and CD zones
 - Downtown Core
 - Highway Gateways
 - Lower Town
 - Highway 97



Other accommodations

- Campgrounds
 - Campground zone
 - Tents and RVs
- Agri-tourist accommodations
 - Agriculture Zones
 - Farm property
 - Farm bed & breakfasts, seasonal farm cabins, campsites/RV sites



Regional Context

- Permitted
 - Penticton, West Kelowna, Kelowna, Oliver, RDOS
- Not permitted
 - Peachland, RDCO, Osoyoos



Local approaches for Permitting Short-term Rentals

- Business licences
 - Health and Safety Inspections
 - Parking plans
 - Owner or strata permission
 - Proof of residency
 - Good Neighbour Agreements
- Temporary Use Permits
 - Public process
 - Board approval





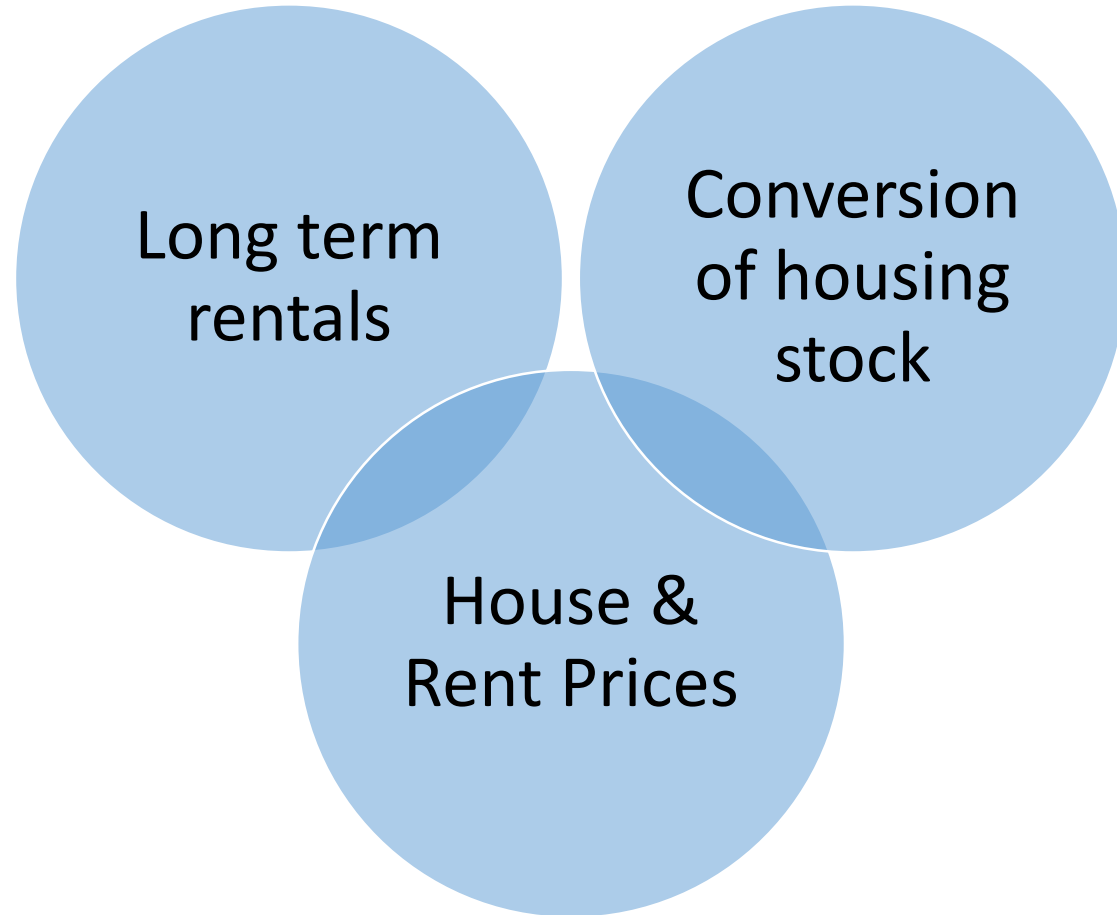
KEY CONSIDERATIONS

Key Considerations

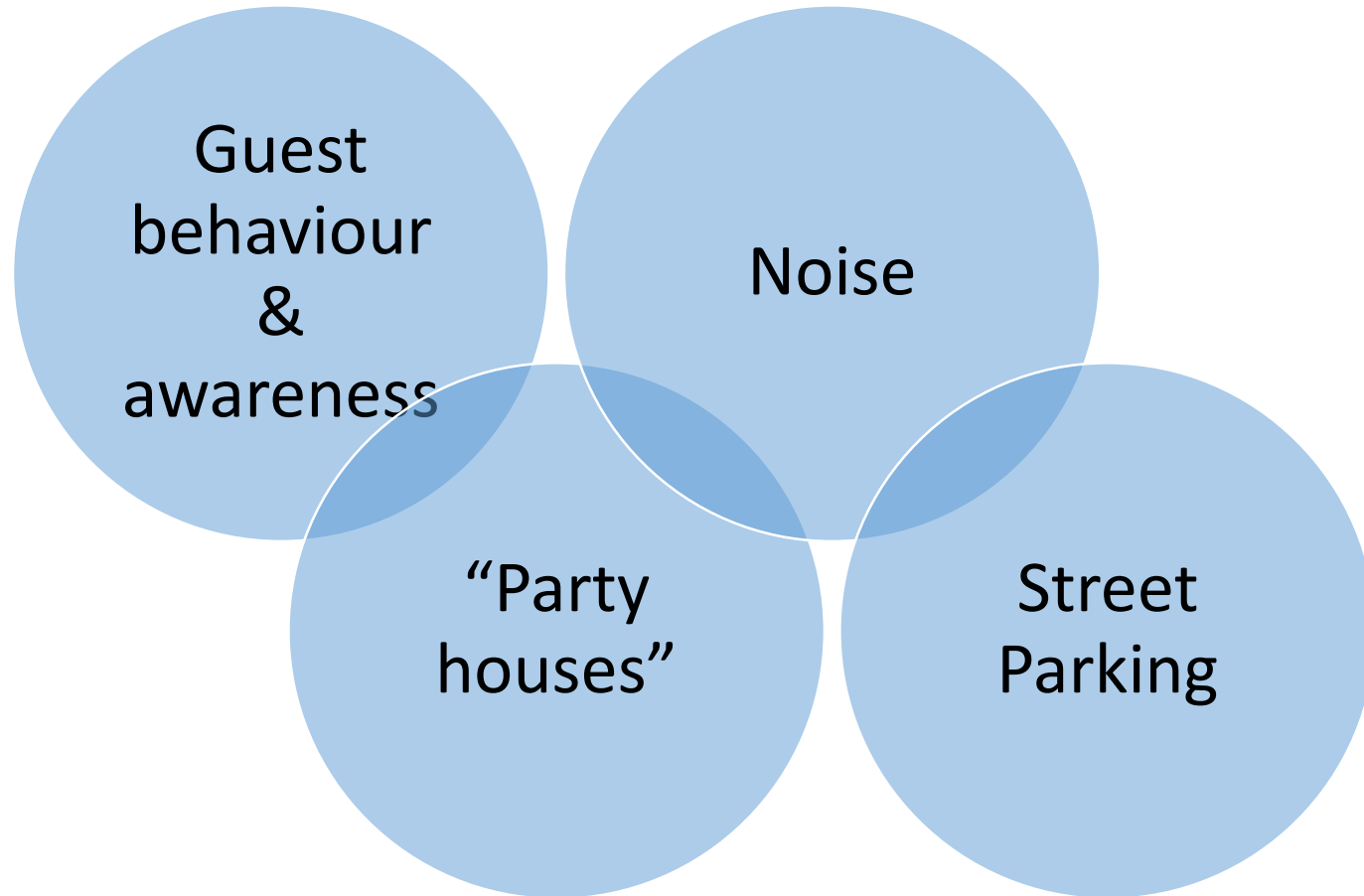
- Housing impacts
- Disruption to neighbours
- Unlevel playing field



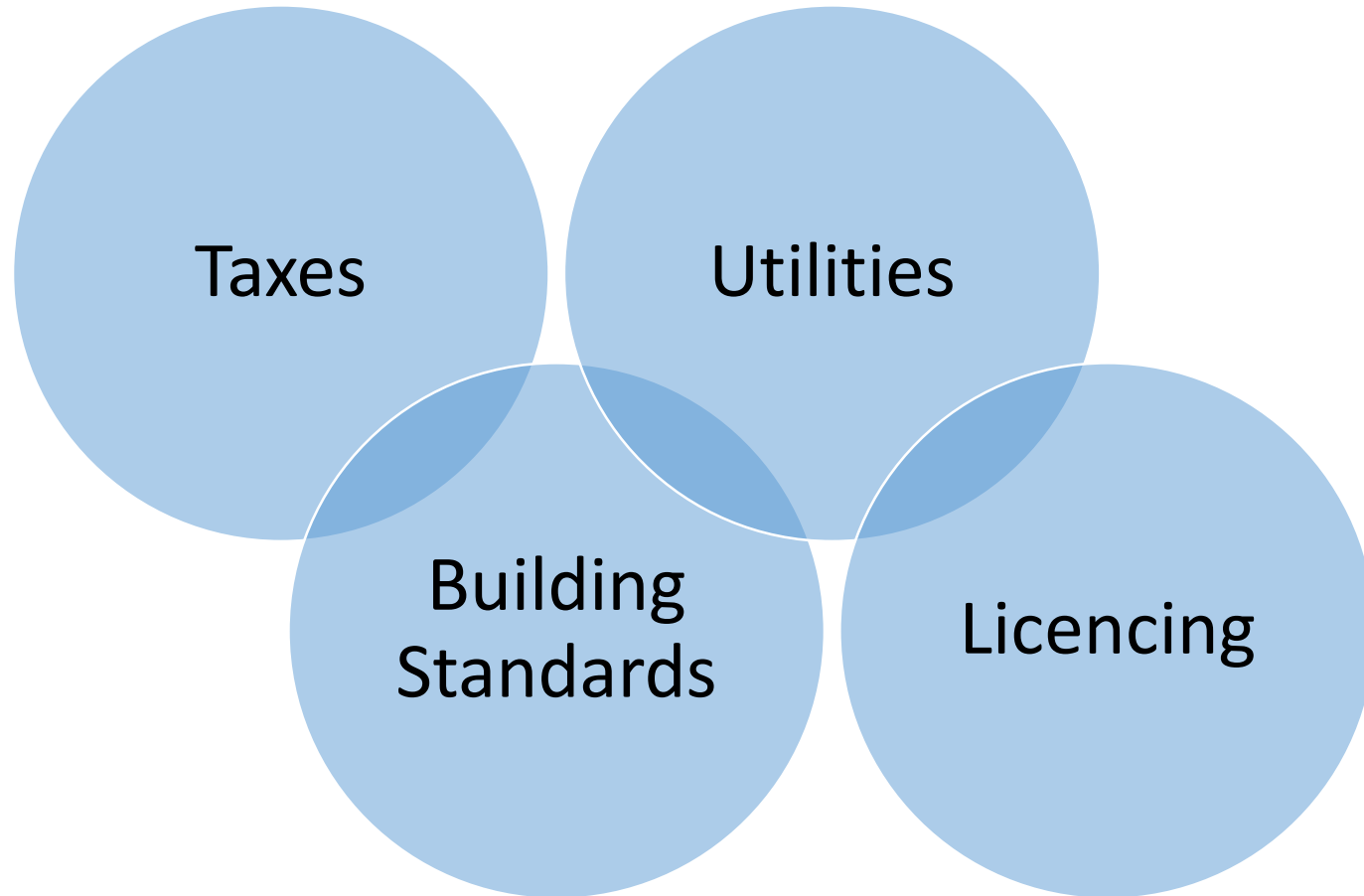
Housing Considerations



Neighbourhood Considerations



Unlevel Playing Field Considerations





COMPARING JURISDICTIONS

Housing Considerations



Neighbourhood Considerations

Approach	Example Communities
Limiting total occupancy	Kelowna, Penticton*, Nelson, Revelstoke, Squamish**, North Vancouver, West Kelowna
Limiting guests per bedroom	Oliver, RDOS, Kelowna
Additional parking	Kelowna, Squamish**, Penticton*
Good neighbour agreements	Penticton, Kelowna

City of Richmond

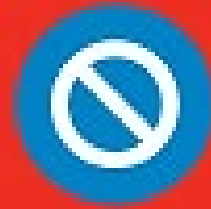
Restrictive Approach

- Entire unit rental not allowed
- Bed & Breakfast –renting rooms within a single family home by resident is allowed
- Boarding/lodging-short term rental to up to 2 people is allowed



Enforcement

- *Proactive*
- *Fines up to \$1,000 per offence*



Not Permitted

Richmond's regulations are designed to prevent B&Bs from taking over neighbourhoods, which helps to preserve the quality of life in neighbourhoods by preventing excessive noise, traffic and parking demand. It is also important to ensure that short term rentals do not impact the current supply of affordable housing rentals in the community.



Pros & Cons – Restrictive Approach

Protection of housing stock (with active bylaw enforcement)

Residential neighbourhoods remain residential

No flexibility to residence to earn additional income

No additional tourist beds


No cost offsets



City of Penticton Permissive Regulated Approach

- Minor Vacation Rental
 - Less than 30 days and owner is principal resident
- Major Vacation Rental
 - More than 30 days and owner is not the principal resident
- Major High Occupant
 - More than 6 guests


Licensed

 **SHORT-TERM RENTAL**

Address:

Business Licence:

Type:


 For more information on this business, please visit:
Penticton.ca/bdirectory



City of Penticton Permissive Regulated Approach

- Any dwelling type
- Year-round
- Rural, Urban Residential, Commercial and CD zones
- Property owner or tenant (with permission)


Licensed

**SHORT-TERM RENTAL**

Address:

Business Licence:

Type:



For more information on this business, please visit:
Penticton.ca/bdirectory



City of Penticton

Licencing Requirements

- Health and Safety Inspection
- Good neighbour agreement
- \$185-410 licence fee
- Owner permission
- Business licence number in ads
- STR decal displayed on unit



Pros & Cons – Permissive Regulated Approach

Rewards responsible operators

Establishes framework for bylaw enforcement and cost recovery

Inspections to ensure health and safety

Equal opportunities for residents to earn additional income

Leaves housing supply in hands of market demands

City of Kelowna


Two-tiered approach

- Secondary use – Residential
- Principal use -Commercial




Enforcement


- *\$500/day/offence –operating*
- *\$250 for ads*
- *Grancius host compliance*



Ensure short-term rental accommodations don't negatively impact long-term rental housing supply.



Ensure short-term rental accommodations are good neighbours.



Ensure equity among all short-term accommodation providers.

City of Kelowna

Secondary Use

- Secondary use to principal residence
- Rural Residential, Urban Residential, select Commercial zones
- All unit types except secondary suite or carriage house
- Maximum of 2-3 sleeping units
 - 2 adults/bedroom



City of Kelowna

Secondary Use

- Up to 125 days per year as short term rental
- Resident of unit must operate
- Proof of residency required



City of Kelowna Principal Use

- Commercial and Health District zones
- All unit types except secondary suite or carriage house
- Maximum of 2-3 sleeping units
 - 2 adults/bedroom
- Year round operation
- Anyone can operate with owner/strata permission



City of Kelowna

Licencing Requirements

- Parking plan
- Good neighbour agreement
- Self-evaluation fire & safety
- \$345-\$750 licence fee
- Proof of residency if secondary use
- Owner permission
- Strata permission (if in a strata)



Pros & Cons – Two-tiered Approach

Maintains a residential use as the principal use in residential zones

Keeps suites/carriage houses for long-term rentals

Difficult to enforce additional restrictions (residency)

Balances need for housing with additional tourist beds

Allows flexibility for year-round rentals where other tourist accommodation is allowed (i.e. commercial areas)



RECOMMENDATIONS

Recommended Approach

- Any dwelling type
- Year-round
- 6-person occupancy limit, without public consultation
- Property owner or tenant (with permission) can obtain a licence

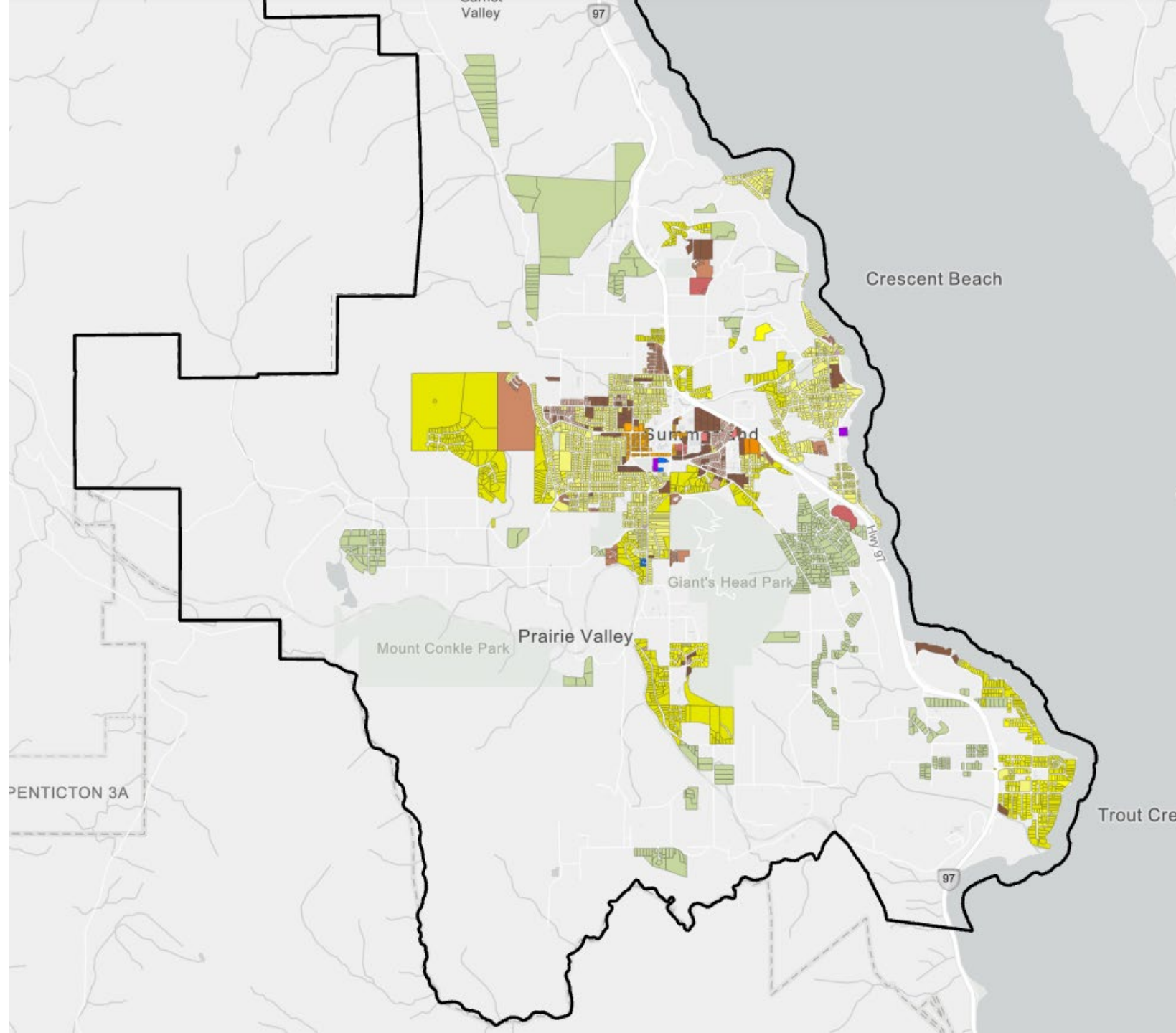


- *Business licence with fee*
- *Health and Safety Inspection*
- *Good neighbour agreement*
- *Fines*



Recommended Approach

- Residential Zones
- Rural Residential
- Commercial and CD zones that allow for dwellings



Recommended Approach

- Public Engagement in Fall 2021 to receive feedback on draft bylaw
- Identify a “Summerland model” based on identified community priorities
- Explore options for bylaw support and monitoring services



Staff Recommendation

THAT Council direct staff to draft a regulatory framework based on a permissive regulated approach modeled after the City of Penticton to allow and licence short-term rentals;

AND THAT Council direct staff to initiate the public engagement strategy on short-term rentals to receive feedback on the draft regulatory framework and to identify any additional priorities tailored to the District of Summerland context, for consideration.



QUESTIONS?